

**Airport Revenue Fund****Fund 521****PURPOSE OF THE FUND:**

All revenues generated by the Airport are deposited into the Airport Revenue Fund. Operating revenues can include charges for services rendered, in addition to rental and concession income. Other revenues can include reimbursements (e.g. for grant eligible activities), fines and late charges, as well as transfers in from other Airport funds. This fund serves as a holding fund for revenues that are to eventually be transferred to other Airport funds for specific purposes.

All revenues described below shall, so long as any bonds shall be outstanding, be deposited to the Airport Revenue Fund. All such revenues shall be disbursed, allocated, and applied solely to the uses and purposes for the benefit of the Owners of the Bonds issued and the City shall have no beneficial right or interest in any such moneys, except as provided in the Master Trust Agreement and pursuant to federal regulations. Revenues paid into said fund are to be allocated in the following priority:

1. Transfer to the Airport Maintenance and Operation Fund to fund the current fiscal year's operating costs as budgeted by the City;
2. Transfer to the Airport Fiscal Agent Fund (for interest and principal payments) managed by the Trustee as specified in the Master Trust Agreement;
3. Transfer to the bond reserve fund managed by the Trustee as specified in the Master Trust Agreement;
4. Transfer to the Surplus Revenue Fund for deposits to special accounts within the Surplus Revenue Fund as specified in the Master Trust Agreement.

The flow of funds for the Airport is illustrated in the Flow and Priority of Funds chart, which immediately follows this summary of the Airport Revenue Fund.

**AUTHORITY FOR THE FUND:**

San José Municipal Code section 4.80.030. Revenue and expenditure estimates are budgeted via Council funding sources resolution and appropriation ordinance, respectively.

**SOURCE OF FUNDS:**

- Fees and charges for services
- Rental income
- Concession income
- Fines/penalties
- Reimbursements
- Transfers-in from other Airport funds
- Interest earnings

**Airport Revenue Fund****Fund 521****FUND RESTRICTIONS:**

While the use of moneys within this fund is not subject to Proposition 218, certain moneys in this fund may be restricted by other policies and guidelines, which are described below.

Federal regulations prohibit the use and/or transfer of airport funds to any other funds for non-airport related costs and/or projects. Revenue may be transferred to other Airport funds only as stipulated in the Master Trust Agreement as supplemented and amended. There are no interest earnings restrictions in the Airport Revenue Fund.

**LEAD RESPONSIBILITY:**

Airport Department

**FINANCIAL INFORMATION AND LOCATION:****Comprehensive Annual Financial Report (CAFR) Designation:**

Proprietary Fund-Enterprise

**Budget Location:**

Adopted Operating Budget

**Funding Sources Resolution and Appropriation Ordinance Location:**

Section 9.01

**NOTES:**

This fund does not contain either operating or capital expenditures. Instead, funds are transferred to other operating funds to charge airport-related expenditures.

# NORMAN Y. MINETA SAN JOSE INTERNATIONAL AIRPORT FLOW AND PRIORITY OF FUNDS

